

## Message Text

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70

ACTION ARA-10

INFO OCT-01 ISO-00 AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00

EB-07 FRB-01 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00

NSC-05 PA-02 AID-05 CIEP-02 SS-15 STR-04 ITC-01

TRSE-00 USIA-15 PRS-01 SP-02 OMB-01 FEA-01 XMB-04

/099 W

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R 221620Z NOV 76

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 7979

UNCLAS BUENOS AIRES 7634

PASS TREASURY, COMMERCE

E.O. 11652: N/A

TAGS: ETRD, EFIN, AR

SUBJ: GOA IMPORT PROGRAM FOR FIRST HALF 1977

REF: BA-3700; BA-4636

1. AFTER MONTHS OF DEBATE AND SPECULATION CONCERNING THE DIRECTION OF GOA IMPORT POLICY FOR LOCAL INDUSTRY, THE MINISTRY OF ECONOMY HAS ISSUED RESOLUTION 794/76 DATED NOV 9, 1976 SETTING FORTH IMPORT PROGRAM FOR FIRST HALF 1977. IN A MOVE TO FURTHER LIBERALIZE AND DECONTROL FOREIGN COMMERCE, NEW REGULATIONS ALLOW PRIVATE SECTOR FIRMS TO MAKE OVERSEAS PURCHASES OF SEMI-PROCESSED AND RAW MATERIALS WITHOUT FOREIGN EXCHANGE CEILINGS COMPUTED ON THE BASIS OF INDIVIDUAL IMPORT HISTORIES, AS HAS BEEN THE CASE UNDER RESOLUTION 123/76 FOR SECOND HALF 1976 IMPORT PROGRAMS (SEE BA-3700). PUBLIC SECTOR BUYERS (INCLUDING STATE CONTRACTORS), HOWEVER, MUST RECONCILE THEIR IMPORT PLANS WITH FOREIGN EXCHANGE BUDGETS SUBMITTED TO THE CENTRAL BANK SEPT. 30, 1976  
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IN COMPLIANCE WITH CIRCULAR R.C.653. AS BEFORE,

NO LIMITATIONS WITH RESPECT TO CAPITAL GOODS EXIST;  
BUT TRANSACTIONS MUST CONFORM TO FINANCIAL REQUIRE-  
MENTS OF CIRCULAR R.C.461 (SEE BA-4636).

2. UNDER NEW REGULATIONS, FIRMS CONTINUE TO SUBMIT  
"SWORN DECLARATION OF NEED TO IMPORT" FOR EACH, TYPE  
OF PRODUCT, BY TARIFF POSITION (ALTHOUGH DEGREE OF  
SPECIFICITY WILL BE DETERMINED BY IMPLEMENTING  
REGULATIONS) TO OBTAIN NECESSARY "CERTIFICATES" ENA-  
BLING BANKS AND CUSTOMS TO HANDLE IMPORT OPERATIONS.  
AS A CONCESSION, FIRMS SUBJECT TO SPECIAL STATE  
PROMOTIONAL PROGRAMS MAY PRESENT A SINGLE COMPREHENSIVE  
DECLARATION. IN CONTRAST TO PREVIOUS REGIMES WHICH  
IMPOSED TIGHT DEADLINES, THESE DECLARATIONS MAY BE  
SUBMITTED IN ANY NUMBER AND AT ANY TIME BEGINNING  
NOV 22, 1976 THRU MAY 31, 1977 FOR SHIPMENTS FROM  
JAN 1 TO JUN 30, 1977.

3. CAPITAL GOODS AND REPLACEMENT PARTS CONTINUE TO BE  
EXEMPTED FROM THESE DEADLINES; IN ADDITION, NEW  
REGULATIONS APPEAR TO WIDEN THIS PRODUCT CATEGORY  
BEYOND LIST ANNEXED TO R.C.641 (BA-4636), THEREBY  
ALLOWING FOR SHIPMENT AFTER JUN 30, 1977 BUT  
BRINGING FINANCIAL TRANSACTION UNDER CAPITAL GOODS  
REGIME.

4. AS BEFORE, ACTUAL FOB VALUE MAY EXCEED AMOUNT APPEAR-  
ING IN THE CORRESPONDING "SWORN DECLARATION" BY  
AS MUCH AS 10 PERCENT. IN ADDITION, NEW REGULATIONS  
PROVIDE THAT LARGER VARIATIONS IN PRICE MAY BE  
COMPENSATED BY REDUCTIONS IN THE VOLUME IMPORTED;  
HIGHER THAN DECLARED VOLUMES MAY BE IMPORTED, PROVIDED  
THE TOTAL FOB VALUE DOES NOT EXCEED THE ABOVE LIMIT.

5. AS TRANSITION MEASURE, DEADLINE FOR SHIPMENT UNDER  
EXISTING SWORN DECLARATIONS UNDER REGULATION 123/76  
IS FEB 28, 1977; FOR PUBLIC SECTOR BUYERS,  
JUNE 30, 1977.

6. COMMENT: THIS SHIFT IN POLICY ON DIRECT IMPORT  
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CONTROLS IS MADE POSSIBLE BY DEFLATIONARY MEASURES  
CURRENTLY IMPLEMENTED BY GOA AND IMPROVED BALANCE  
OF PAYMENTS SITUATION. TO KEEP SOME FORM OF CONTROL  
OVER IMPORTS, GOA NO DOUBT WILL RELY ON INDIRECT  
CONTROLS TO BE ANNOUNCED IN IMPLEMENTING REGULATIONS,  
CENTRAL BANK PROCEDURES AND OTHER INTERNAL MEASURES.  
CHIEF AIM, APPARENTLY, IS TO ALLOW GREATER MARKET  
FLEXIBILITY FOR ALLOCATION OF IMPORTS FOR INDUSTRIAL

USES.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IMPORTS, EXPORTS, FOREIGN TRADE, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 NOV 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
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**Errors:** N/A  
**Film Number:** D760435-0048  
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